



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Color Country District Office

Cedar City Field Office

176 East DL Sargent Drive

Cedar City, UT 84721

Telephone (435) 586-2401

www.blm.gov/ut/st/en/fo/cedar_city.html

M0010667
cc: Tom

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In Reply Refer To:

UTC01

3809: UTU-82071-A1

January 22, 2009

Mr. Ron Wunderlich
Vice President - Land, Water and Environmental
Western Utah Copper Company
1208 S 200 W
P.O. Box 492
Milford, UT 84751

Dear Mr. Wunderlich:

I am writing in regard to your application, dated November 20, 2008, to amend Western Utah Copper Company's Large Mining Operations Permit for the Hidden Treasure Operation (Division of Oil, Gas and Mining file M/001/067, Amendment 1). Amendment 1 proposes a number of changes occurring on private, State and BLM lands in the general project area.

Those proposed changes impacting BLM-managed lands serve as an amendment to your existing BLM approved plan of operations (BLM file UTU-82071, Hidden Treasure Mine) under the applicable 43 CFR 3809 regulations. The permit amendment submissions were found adequate to address the regulatory requirements of 43 CFR 3809.401, covering BLM's plan of operations requirements.

For purposes of NEPA analysis, the proposed water lines and water storage tanks (involving private and BLM land), widening of the haulage road from Hidden Treasure pit to the mill site (involving BLM and State land) and perimeter disturbances surrounding Hidden Treasure Pit area (involving BLM and private land) were treated as connected actions, and collectively analyzed. An environmental assessment was prepared to document that analysis and a Decision Record was signed on January 20, 2009 authorizing the amendment activities on BLM-managed land, subject to certain mitigation and monitoring measures. No public comments or inquiries on the proposal were received. A copy of the environmental assessment and decision record are attached; please note the mitigation measures identified in the Decision Record as the amendment work is subject to these constraints to remain in compliance with the applicable Federal regulations.

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DIV. OF OIL, GAS & MINING

You are reminded that you are not authorized to begin any surface disturbing activity described in the amended plan of operation until the necessary financial guarantee securing reclamation of those disturbances is submitted to and accepted by either the BLM Utah State Office or the Division, and you have received written approval to proceed with the permit amendment changes from the Division.

If you have any questions, feel free to contact Ed Ginouves of my staff at (435) 865-3040.

Sincerely,

A handwritten signature in cursive script, reading "Randy M. Trujillo". The signature is written in dark ink and is positioned above the printed name and title.

Randy M. Trujillo
Acting Field Office Manager

Enclosure: Hidden Treasure Plan of Operations -Amendment 1 EA / DR
cc: Tom Munson, DOGM

**FINDING OF NO SIGNIFICANT IMPACT
AND
DECISION RECORD**

**Hidden Treasure Plan of Operations – Amendment 1
DOI-BLM-UT-C010-2009-0025-EA
UTU-82071**

FONSI: Based on the analysis of potential environmental impacts contained in the attached environmental assessment, and considering the significance criteria in 40 CFR 1508.27, I have determined that the action will not have a significant effect on the human environment. An environmental impact statement is therefore not required.

Decision: It is my decision to authorize the Hidden Treasure Plan of Operations, Amendment 1 as described in the proposed action of environmental assessment UT-C010-2009-0025.

Summary of the Selected Alternative: The proposed action is to allow the project proponent to marginally expand the pit perimeter, add a mine equipment staging area, marginally increase the existing haulage road, complete two exploration holes as water wells and construct a buried water line to convey water from those wells to the mill facility. The project work will take place on BLM-managed and private lands at the south ends of the Rocky Range and Beaver Lake Mountains, northwest of Milford, Utah.

This decision is contingent on meeting all stipulations and monitoring requirements listed below.

Stipulations:

1. Construction of projects shall be implemented and ongoing by 15 March 2009. If not, ferruginous hawk and burrowing owl surveys shall be conducted to ensure that potential nests would not be impacted.
2. Surface disturbances shall occur prior to March as much as possible to minimize impacts to nesting migratory birds.
3. All disturbed areas shall be reseeded as soon as possible to prevent further, cumulative losses of habitat and lessen undesirable vegetation.
4. Disturbed areas associated with the buried water lines shall be broadcast seeded no earlier than October 15 and no later than December 31 of the year the disturbance occurred. Seed shall be certified weed free and consist of the following mix of pure live seed on a per acre basis: 12 pounds crested wheatgrass, 2 pounds yellow sweet clover and 2 pounds immigrant forage kochia. A different seedmix, including sagebrush and other species beneficial to wildlife, will be used for final reclamation as determined by the authorized officer.

Monitoring:

1. The company is responsible for treating any noxious weeds that become present within the disturbed acreage, using approved chemicals, and would submit a pesticide application form (PAR) to the Authorized Officer. All equipment would be power washed prior to entering project lands to help mitigate the spread of noxious plants.
2. BLM will conduct site inspections at least quarterly to monitor and ensure proper compliance with the law and regulations, policy, and the plan of operations.

Rationale for the Decision:

The proposed action is in conformance with the Pinyon Management Framework Plan, approved June 10, 1983. Although the Proposed Action is not specifically mentioned in the plan, it is clearly consistent with the objectives, goals, and decisions of the approved plan. It has been determined that the proposed action would not conflict with other decisions throughout the plan.

The proposed action will meet the purpose and need described in the EA by allowing the project proponent to extract a known copper resource on patented and unpatented mining claims under their control. Consistent with Section 2 of the Mining and Policy Act of 1970 and section 102(a)(7), (8), and (12) of the Federal Land Policy and Management Act, it is the policy of the Department of the Interior to encourage the development of Federal mineral resources and reclamation of disturbed lands. Under the mining laws, a person has statutory right, consistent with Departmental regulations, to go upon the open Federal lands for the purpose of mineral prospecting, exploration, development, extraction, and uses reasonably incident thereto.

The no action alternative was not selected because it would not meet the purpose and need stated in the EA. The impacts to resources are not expected to be at a level which would preclude the action.

The public was notified regarding this action by posting a notice on the Utah Internet Homepage on December 10, 2008. No parties contacted the BLM in response to the notice.

The proposed action will have impacts on nesting migratory birds through the direct reduction of nesting habitat and on livestock grazing as halogeton growth on disturbed project areas will decrease the number of AUMs available for sheep use. These impacts will be cumulative to other activities which have reduced nesting habitat and allowed the growth of halogeton on public land. These impacts should be minimized by the stipulations stated above. It is my determination that these impacts are acceptable when balanced with the benefits derived from the proposed action.


Authorized Officer (signature)

1/20/2009
Date of Signature